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Chief Executive Officer

# County of Los Angeles

## CHIEF EXECUTIVE OFFICE

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November 17, 2016

To: Supervisor Hilda L. Solis, Chair  
Supervisor Mark Ridley-Thomas  
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Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: Sachi A. Hamai  
Chief Executive Officer

### **WRAPAROUND PROGRAM – RESPONSE TO BOARD MOTION (ITEM NO. 20, AGENDA OF APRIL 14, 2015)**

On April 14, 2015, the Board approved a motion introduced by Supervisor Michael D. Antonovich and Supervisor Sheila Kuehl related to the Wraparound Program. The motion directed the Chief Executive Office (CEO), in collaboration with the Departments of Children and Family Services (DCFS), Mental Health (DMH) and Probation, to conduct a review of the Wraparound Approach Services (Wraparound) program. This review would include an analysis of the Case Rate to Medi-Cal ratio and a review of the providers' ability to meet expansion goals and their ability to achieve successful outcomes for high-needs children and youth receiving Wraparound services. The motion further instructed the CEO to work with the Directors of DCFS and DMH to take actions necessary to transition the Wraparound program and contract administration from DCFS to DMH by June 30, 2016. The motion was further amended by the Board and instructed the CEO to report back on the feasibility of DCFS and DMH conducting a pilot relating to services by the Wraparound teams for child sex trafficking and the amount of responsibility being transferred to DMH.

#### Analysis of Case Rate to Medi-Cal Ratio

For each client served by the Wraparound program, the County requires a mix of services to be provided, made up of case rate, which provides various services funded by Net County Cost (NCC), and, if eligible, Early and Periodic Screening, Diagnosis and Treatment (EPSDT), a Medi-Cal benefit for individuals under age 21 with full-scope Medi-Cal. The departments collaborate on a monthly basis in order to complete a "Tracking Reimbursement of Case Rate and EPSDT" report. In prior years the target case rate was 60% of each client's service delivery costs, and funding from EPSDT comprised the remaining 40%. During this time, most agencies were well below the target case rate, while there were some outliers that were not in compliance and exceeded the target. During FY 2015-16, the transition year established in the new

contract, the target case rate comprised 50% and EPSDT comprised 50% of Wraparound service delivery costs; the target case rate will be 40% case rate and 60% EPSDT in subsequent years. Per the table below, there has been a gradual progression to the overall goal of lowering the case rate funding and increasing EPSDT claiming since FY 2012-13.

	Percentage Share of Reimbursement			
	FY 12-13	FY 13-14	FY 14-15	FY 15-16*
Avg. Case Rate	44.6%	43.5%	42.7%	42.6%
Avg. EPSDT	55.4%	56.5%	57.3%	57.4%
Total	100%	100%	100%	100%

\* 5/31/16

One important consideration in analyzing the above ratio is that this represents the ratio of service utilization for the Wraparound program overall, and includes children/youth regardless of funding source. While case rate is provided to all Wraparound clients (including Indigent and Medi-Cal beneficiaries), EPSDT is limited to only full-scope Medi-Cal beneficiaries (while all children removed from their homes receive Medi-Cal, those that remain in their homes may not be eligible or may have other health coverage). In other words, if the utilization of clients receiving only case rate were excluded from this analysis, this would result in an increase in the ratio of EPSDT services for those clients who receive both services.

#### Update on Enrollment Expansion Goals

The County planned to serve up to 3,000 Wraparound clients on average per month as part of the FY 2015-16 contract year. Using the DCFS log data, it appears that the County has served 2,268 clients on average this past fiscal year. This represents an approximate 4.5% decline in enrollment from the prior fiscal year, when the average clients treated per month was 2,376. Declining enrollment in this program is primarily the result of increased utilization of other intensive mental health programs, such as Intensive Field Capable Clinical Services (IFCCS), which currently has capacity to serve 780 children/youth and includes Katie A. subclass members as part of its target population.

Despite slightly lower enrollment, the provider expansion outcomes discussed below support that there is no shortage of providers with capacity to accept new referrals. As part of the FY 2015-16 Wraparound contract solicitation award, the County planned to increase from 34 to 48 Legal Entity Contract Providers, and increase the number of program sites from 55 to 100 across all service areas. The County has successfully established all 48 anticipated Legal Entity contracts, and 95 of the anticipated 100 program sites are fully operational. Furthermore, none of the DCFS regional offices have a waitlist for services.

#### Outcomes

Currently, program outcomes are measured by whether a child/youth graduates from the program (successfully transitions to more positive outcomes as defined by the child and family teaming process) or disenrolls (disenrollment may be caused by closure of DCFS/Probation case, child/family refusing services, referrals to other programs, and out of County or group home placements). Wraparound staff makes every effort to enroll and maintain a youth enrolled

in the program. However, when a youth declines services or must be disenrolled because their case is closed or their placement does not allow for Wraparound services to continue, Wraparound staff and/or the assigned social worker provide referrals for other mental health services, as necessary. As DMH assumes responsibility for this program, they will be working with DCFS, Probation and the provider system to develop more robust outcome measures.

#### Transfer of Program Responsibility

The CEO has worked with DCFS and DMH to develop a transition plan for the transfer of this program. DCFS has identified 40 items that are needed in other areas within the Department and can be reassigned to other claimable services. This freed up \$6.1 million in Katie A. NCC funds to pay for staffing costs at DMH, to assume administrative and programmatic responsibility for this program. DCFS will maintain a centralized infrastructure to work with co-located DMH staff to maintain the flow of referrals for intensive mental health services. The co-located DMH staff will determine the most appropriate intensive mental health service; this includes Wraparound, Full Service Partnership (FSP), IFCCS, or Intensive Treatment Foster Care (ITFC).

In preparation for the program transfer, the DMH budget for administrative and programmatic oversight of the Wraparound program, comprised of \$4.3 million in pro-rated appropriation and 55.0 positions, was incorporated into its FY 2016-17 Final Budget when adopted by the Board on September 27, 2016. DMH continues efforts to ensure all necessary staff are recruited in time for the effective date of transfer for actual programmatic operations, scheduled for January 1, 2017.

The Wraparound program structure will be transferred to DMH largely "as is", utilizing a staffing plan minimally required for oversight, based on a number of positions, largely similar to that used by DCFS to oversee the program. Transferred program elements include: program leadership and supervision; clinical consultation and interpretation; referral, linkage, and program monitoring; quality assurance and improvement; and fiscal, contracting, and information technology management. Some of the position classification levels may be adjusted going forward, as details for some positions were not fully settled by budget deadlines, and therefore, some positions were allocated at provisional classification levels in the budget.

The Department of Mental Health prepared a staffing plan to address both the transfer of the program, as well as provide additional resources intended to achieve optimal administration and oversight of the program. However, further evaluation of the program is required to address optimal program needs in light of the actual management and delivery of services after the transfer, as well as to allow time to evaluate the future structure and composition of Wraparound services. In addition, DCFS' and DMH's planned implementation of the Immersion Program, a strategy to accelerate exit from the Katie A. settlement agreement, has increased the complexity of this request as we evaluate this staffing need in consideration of Wraparound and other mental health service delivery programs.

#### Commercially Sexually Exploited Children

The Wraparound Program, with its forty-eight agencies, provides services to children and families with a variety of intensive health needs and history of trauma. Commercially Sexually Exploited Children (CSEC) are regularly referred to the Wraparound program as many of the



agencies have been trained to work with the CSEC population. In May 2015, DCFS and Probation led a focus group with some of the Wraparound providers who regularly served CSEC to learn more about successes, challenges, and additional resources needed. The information gathered from this focus group was then provided to the CSEC Leadership Team. As all of the Wraparound providers agreed on the need for additional training in this area, several CSEC trainings during the months of January 2016 and March 2016 were provided to Wraparound providers.

DCFS, DMH, and Probation discussed CSEC with the Wraparound providers at their October 6, 2016 meeting. All agencies agreed that more training for CSEC youth was needed, specifically for the engagement process. Further, they felt therapists needed more specific training to work with these youth. Two upcoming classes, which are registered to full capacity, have been scheduled. DCFS intends to identify several Wraparound agencies which can develop specialized expertise to work with this especially vulnerable population.

#### Work Group Task and Next Steps

Since January 2016, DCFS, DMH, Probation and the CEO have had bimonthly conference calls to coordinate the transfer of this program. Ongoing tasks include identifying Information technology needs of DMH to assume responsibility for the Wraparound tracking database, development of a DMH contract amendment and service exhibit, completion of an updated Wraparound Policy and Procedure Manual, hiring and training of new DMH staff, and development of an inter-agency Memorandum of Understanding between DMH, DCFS and Probation related to financial and programmatic roles and responsibilities. These calls will continue until the program has been successfully transitioned over to DMH.

If you have any questions, or need additional information, please contact me, or your staff may contact David Seidenfeld at [dseidenfeld@ceo.lacounty.gov](mailto:dseidenfeld@ceo.lacounty.gov), or at (213) 974-7365.

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